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LEGISLATIVE RESOLUTION 24CA

Passed by the Legislature June 5, 1991.

Introduced by Baack, 47, Smith, 33, at the request of the Governor

A Resolution to propose amendments to the Constitution of Nebraska by amending Article III, section 24, and by adding a new section 30 to Article III.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-SECOND LEGISLATURE OF NEBRASKA, FIRST SESSION:

Section 1. That at the general election in November 1992 there shall be submitted to the electors of the State of Nebraska for approval the following amendments to the Constitution of Nebraska by amending Article III, section 24, and by adding a new section 30 to Article III, which are hereby proposed by the Legislature:

CIII-24 "The (1) Except as provided in this section, the Legislature shall not authorize any game of chance, ner or any lottery, or gift enterprise when the consideration for a chance to participate involves the payment of money for the purchase of property, services, or a chance or admission ticket or requires an expenditure of substantial effort or time.

(2) The Legislature 7 except that it may authorize and regulate a state lottery pursuant to subsection (3) of this section and other lotteries, raffles, and gift enterprises which are intended solely as business promotions or the proceeds of which are to be used solely for charitable or community betterment purposes without profit to the promoter of such lotteries, raffles, or gift enterprises.

(3) The Legislature may establish a lottery to be operated and regulated by the State of Nebraska. The proceeds of the lottery shall be appropriated by the Legislature for the costs of establishing and maintaining the lottery and for other purposes as directed by the Legislature. No lottery game shall be conducted as part of the lottery unless the type of game has been approved by a majority of the members of the Legislature.

(4) Nothing in this section shall be construed to prohibit (a) the enactment of laws providing for the

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licensing and regulation of wagering on the results of horseraces, wherever run, either within or outside of the state, by the parimutuel method, when such wagering is conducted by licensees within a licensed racetrack enclosure; or to prohibit (b) the enactment of laws providing for the licensing and regulation of bingo games conducted by nonprofit associations which have been in existence for a period of five years immediately preceding the application for license, except that bingo games cannot be conducted by agents or lessees of such associations on a percentage basis."

CIII-30 "If the Legislature establishes a lottery operated and regulated by the state pursuant to this Constitution, the Legislature may use the proceeds or a portion of the proceeds from such lottery to compensate depositors of industrial loan and investment companies for unreimbursed losses of quaranteed deposits held by industrial loan and investment companies which filed for bankruptcy or entered receivership after November 1, 1983, notwithstanding any other provision of this Constitution. The Legislature shall not be empowered to make appropriations to compensate such depositors pursuant to this provision after July 1, 1997."

Sec. 2. That the proposed amendments shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1. The proposition for the submission of the proposed amendments shall be placed upon the ballot in the following forms:

"A constitutional amendment to authorize the Legislature to establish a lottery which is operated and regulated by the state. For

Against"

"A constitutional amendment to authorize the Legislature, if it establishes a state lottery pursuant to the Constitution, to use the proceeds, or a portion thereof, to compensate depositors of industrial loan and investment companies for unreimbursed losses of guaranteed deposits held by industrial loan and investment companies which filed for bankruptcy or entered receivership after November 1, 1983.

Against".

Sec. 3. That either of the proposed amendments, if adopted, shall be in force and take

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effect immediately upon the completion of the canvass of the votes, at which time it shall be the duty of the Governor to proclaim it or them as a part of the Constitution of Nebraska.